

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB-00/0620-0812

ELECTIONS, UNIT: VC-3212

(hereinafter "Subject Drilling Unit")

REPORT OF BOARD


FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on September 7, 2000 and recorded at Book 358, Page 052 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on September 7, 2000 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
  - (a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
  - (b) The designated operator filed its affidavit of mailing dated September 20, 2000, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
  - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated December 13, 2000, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i)


whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;

- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
  - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
  4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
  5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
  6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 10<sup>th</sup> day of January, <sup>2001</sup>2000 by a majority of the Virginia Gas and Oil Board.


  
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 18<sup>th</sup> day of January, 2000 by Order of this Board.

  
B. R. Wilson  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA       )  
COUNTY OF WISE       )


Acknowledged on this 10<sup>th</sup> day of January, <sup>2001</sup>2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

  
Susan G. Garrett  
Notary Public

My commission expires: 7/31/2002.

STATE OF VIRGINIA       )  
COUNTY OF WISE       )

Acknowledged on this 18<sup>th</sup> day of January, <sup>2001</sup>2000, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

  
Diane J. Davis  
Notary Public

My commission expires: 9/30/2001.

**VIRGINIA:*****BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number VC-3212 VGOB Docket No. VGOB-00/0620-0812 in the Ervinton Magisterial District of Dickenson County, Virginia.

**AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER**

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on September 7, 2000, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on September 7, 2000.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

Tract	Name	Cash Consideration
2	Margaret Macel Bennett & Ralph Bennett	0.0219 Acres x \$5.00 = \$0.11
	Ruth Irene Speight & Oscar Bruce Speight	0.0219 Acres x \$5.00 = \$0.11

2	Sylvester Ramsey Jr.	0.0187 Acres x \$5.00 = \$0.10
	Stephanie Ramsey	0.0219 Acres x \$5.00 = \$0.11

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

Tract	Lessor	Net Revenue Interest
2	Stevie Ramsey Address Unknown	0.00004688 RI
	Hillard Ramsey Address Unknown	0.00014062 RI
	Walter Ramsey Address Unknown	0.00014062 RI
	Leona Ball Address Unknown	0.00014062 RI
	Warren G. Ball Address Unknown	0.00014063 RI
	Mitchell Church Address Unknown	0.00004688 RI
	Clara Church Address Unknown	0.00009375 RI

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims.

NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

Tract	Name	Cash Consideration
2	Pansy Edwards	0.0119 Acres x \$5.00 = \$0.06
	Margie Duncan	0.0119 Acres x \$5.00 = \$0.06
	Agnes White & Robert White	0.0119 Acres x \$5.00 = \$0.06
	Edra Riner	0.0119 Acres x \$5.00 = \$0.06
	Nina Myers, AIF for Josephine Alderson	0.0119 Acres x \$5.00 = \$0.06
	Mary Lockie Rhea	0.0119 Acres x \$5.00 = \$0.06
	Arbutus Goins & W. Ralph Goins	0.0119 Acres x \$5.00 = \$0.06
	Louvenna Austin & Joe Austin	0.0119 Acres x \$5.00 = \$0.06
	Esther Brooks	0.0119 Acres x \$5.00 = \$0.06
	Chloe Ramsey	0.0119 Acres x \$5.00 = \$0.06
	Cicero McKinney & Judy McKinney	0.0119 Acres x \$5.00 = \$0.06
	Alice Anderson	0.0219 Acres x \$5.00 = \$0.11
	Elsie Adkins & Kern Adkins	0.0219 Acres x \$5.00 = \$0.11
	Stevie Ramsey Address Unknown	0.0219 Acres x \$5.00 = \$0.11 <i>Subject to Escrow</i>
	Dallas Ramsey & Mary Ramsey	0.0187 Acres x \$5.00 = \$0.10
	Clayton Ramsey & Mae Ramsey	0.0187 Acres x \$5.00 = \$0.10
	Louvern Viers &	0.0187 Acres x \$5.00 = \$0.10

## Whetsel Viers

Juanita Bartley & Jackson Bartley	0.0187 Acres x \$5.00 = \$0.10
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Francis Taylor & Fred Taylor	0.0187 Acres x \$5.00 = \$0.10
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Beldon Potter, Fayette Senter & Jerry W. Senter	0.0187 Acres x \$5.00 = \$0.10
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Beldon Colley & Blanche M. Colley	0.1313 Acres x \$5.00 = \$0.66
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Hillard Ramsey Address Unknown	0.0656 Acres x \$5.00 = \$0.33 <i>Subject to Escrow</i>
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Walter Ramsey Address Unknown	0.0656 Acres x \$5.00 = \$0.33 <i>Subject to Escrow</i>
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Leroy Church	0.0219 Acres x \$5.00 = \$0.11
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Mitchell Church Address Unknown	0.0129 Acres x \$5.00 = \$0.11 <i>Subject to Escrow</i>
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Clara Church Address Unknown	0.0438 Acres x \$5.00 = \$0.22 <i>Subject to Escrow</i>
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Velvie Sutherland Coleman	0.0438 Acres x \$5.00 = \$0.22
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Ramsey Ridge Church & Cemetery, c/o Gordon Deel	0.1317 Acres x \$5.00 = \$0.66
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That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 13<sup>th</sup> day of December 2000.

James E. Kaiser  
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company, a corporation, on behalf of the corporation, this 13<sup>th</sup> day of December 2000.

Jamie E. Fuller  
Notary

My commission expires: July 31, 2001



TOTAL UNIT AREA  
= 58.77 ACRES

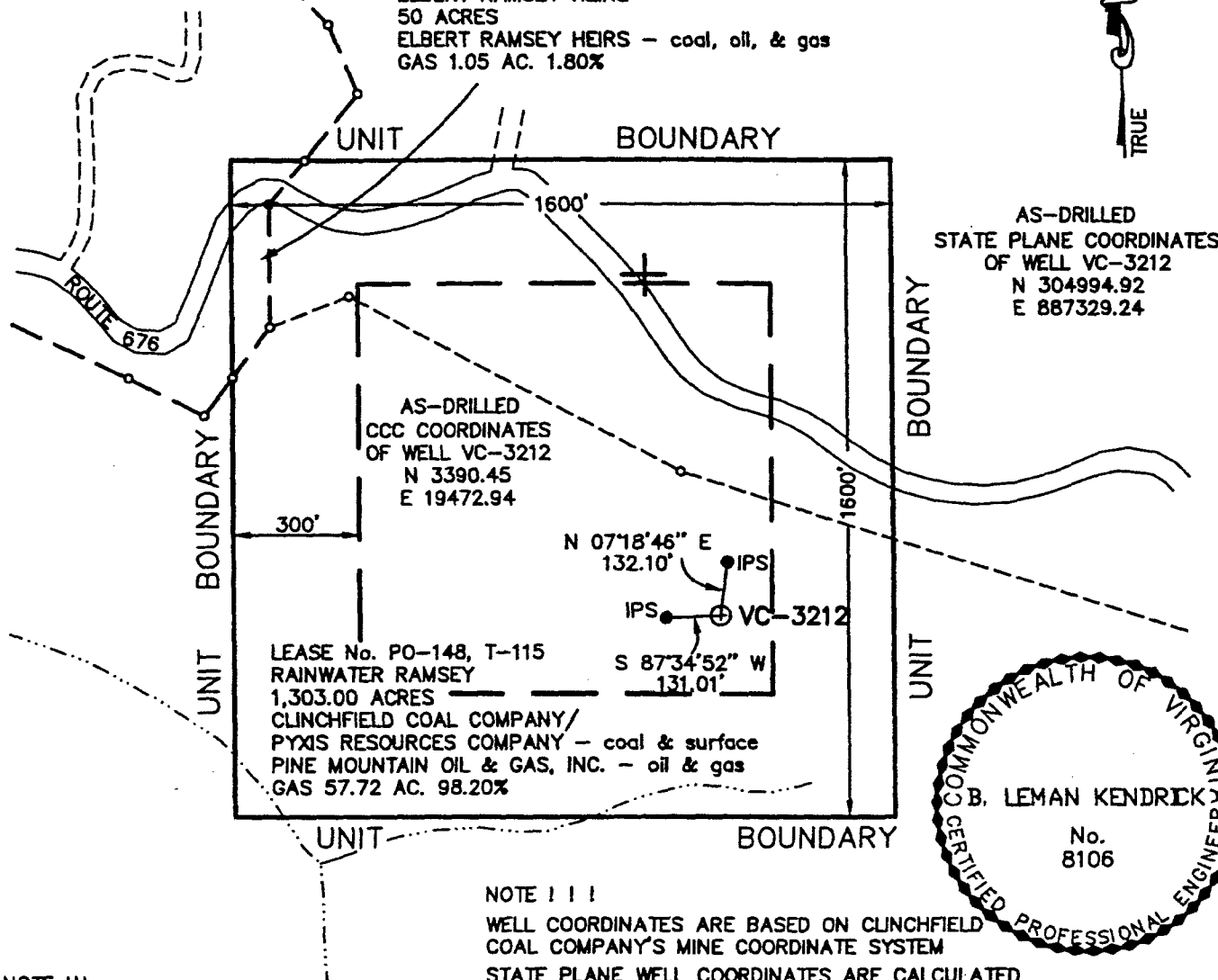
BK 358 PG 064

7295'  
BK 36 ATTITUDE 337° 07' 30"

NOTE !!!  
THIS PLAT IS BASED ON  
PREVIOUS PLAT PREPARED  
BY H.L. BALDRIDGE DATED 10/31/94

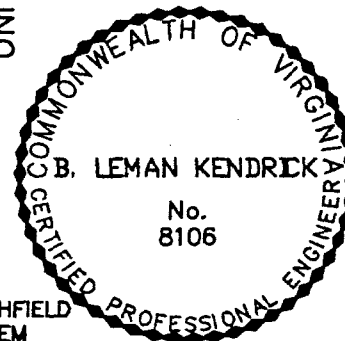
--- DENOTES MINERAL LINE  
- - - DENOTES SURFACE LINE

LEASE No. \_\_\_\_\_  
ELBERT RAMSEY HEIRS  
50 ACRES  
ELBERT RAMSEY HEIRS - coal, oil, & gas  
GAS 1.05 AC. 1.80%



NOTE !!!  
THE WELL WAS DRILLED  
S 0R°30'58" E; 0.75'  
FROM THE PROPOSED LOCATION.

NOTE !!!  
WELL COORDINATES ARE BASED ON CLINCHFIELD  
COAL COMPANY'S MINE COORDINATE SYSTEM  
STATE PLANE WELL COORDINATES ARE CALCULATED  
FROM CLINCHFIELD COAL COMPANY COORDINATES.  
PROPERTY INFORMATION PROVIDED BY EQUITABLE  
PRODUCTION COMPANY.  
ELEVATIONS ARE BASED ON CLINCHFIELD MONUMENT No. 6.



**FINAL  
PLAT**

### WELL LOCATION PLAT

COMPANY Equitable Production Company WELL NAME AND NUMBER VC-3212  
TRACT No. PO-148 / T-115 ELEVATION 2176.66 (Trig) QUADRANGLE NORA  
COUNTY DICKENSON DISTRICT ERVINTON SCALE: 1" = 400' DATE MAY 20, 1999  
THIS PLAT IS A NEW PLAT   ; AN UPDATED PLAT   ; OR A FINAL LOCATION PLAT x  
PROPOSED TOTAL DEPTH OF WELL =           

+ DENOTES THE LOCATION OF A WELL ON UNITED STATES TOPOGRAPHIC MAPS, SCALE 1 TO 24,000, LATITUDE AND LONGITUDE LINES BEING REPRESENTED BY BORDER LINES AS SHOWN.

B. Leman Kendrick 5/20/99  
LICENSED PROFESSIONAL ENGINEER OR LICENSED LAND SURVEYOR

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, 1/18, 2001, This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 2:52 o'clock P.M, after payment of \$ 0 tax imposed by Sec. 58.1-802.

Original returned this date to Shirley Davis  
TESTE: JOE TATE, CLERK  
BY: Shirley Davis D. CLERK

